Evaluating the marketing strategies of leading e-commerce platform in India : A Study with reference to Parbhani District

I} INTRODUCTION :-

The term strategy has been discussed since ancient times. Although it has been used for commercial and military purposes, it has been also used in the field of marketing. Its earliest appearance in marketing literature was after the 1950s, when the phrase "marketing strategy" was regularly featured in (Bartels, 1962) the development of marketing thought studies. The value of marketing strategy has been supported by numerous empirical studies. A few ideas regarding marketing strategy were put forth by several authors. Dr. Philip Kotler in 2012 defined marketing as 'The science and art of exploring, creating and delivering value to satisfy the need of a target market at a profit'. The prevailing marketing strategies are :

1.1 Skimming and Penetration Pricing (Dean, 1951) : To maximize immediate earnings, skimming strategy raises the prices to attract customers who are affluent and most interested. Penetration pricing strategy employs lower prices to attract more customers.

1.2 Product Differentiation and Market Segmentation (Smith, 1956) : Product differentiation strategy is the marketing of broadly comparable products with some differences that buyers use to make a decision. Market segmentation is a marketing strategy that divides the total addressable market share of a brand into more manageable categories using well-established criteria. Each group or segment has shared traits that allow the brand to provide specialized and niche goods, deals and experiences.

1.3 Marketing Mix (Borden, 1957, 1964) : The group of determinable factors that a business can utilize to shape the response of the customer is known as marketing mix. The four "Ps"—Product, Price, Place and Promotion are considered controllable variables.

1.4 Product Life Cycle (Forrester, 1959) : It encompasses the four stages of introduction, growth, maturity and decline. According to Dr. Philip Kotler, the product life cycle is an attempt to define discrete stages in the sales history of a product.

II} DIFFERENCE BETWEEN TRADITIONAL MARKETING STRATEGIES AND MODERN MARKETING STRATEGIES :-

The traditional view of marketing places all of its emphasis on products, with the goal of producing and selling more goods to increase profits. Traditional marketing is one of the oldest forms of marketing. Marketers lean towards this strategy because it's tried and tested. They identify their audience and place advertisements on billboards, print media and television. Push marketing is the foundation of traditional marketing strategies. It is one-dimensional because its sole aim is to earn by selling the product through aggressive efforts of middlemen.

Modern marketing is relatively more customised through data-driven technology that connects brands with their customers to drive targeted business results. The goal of modern marketing is to satisfy the customers by focusing on their specific needs and wants. Customer-focused marketing is prevalent today which is also known as pull marketing. It is multifaceted since it emphasizes customer satisfaction and after-sales support in addition to selling products and making a profit.

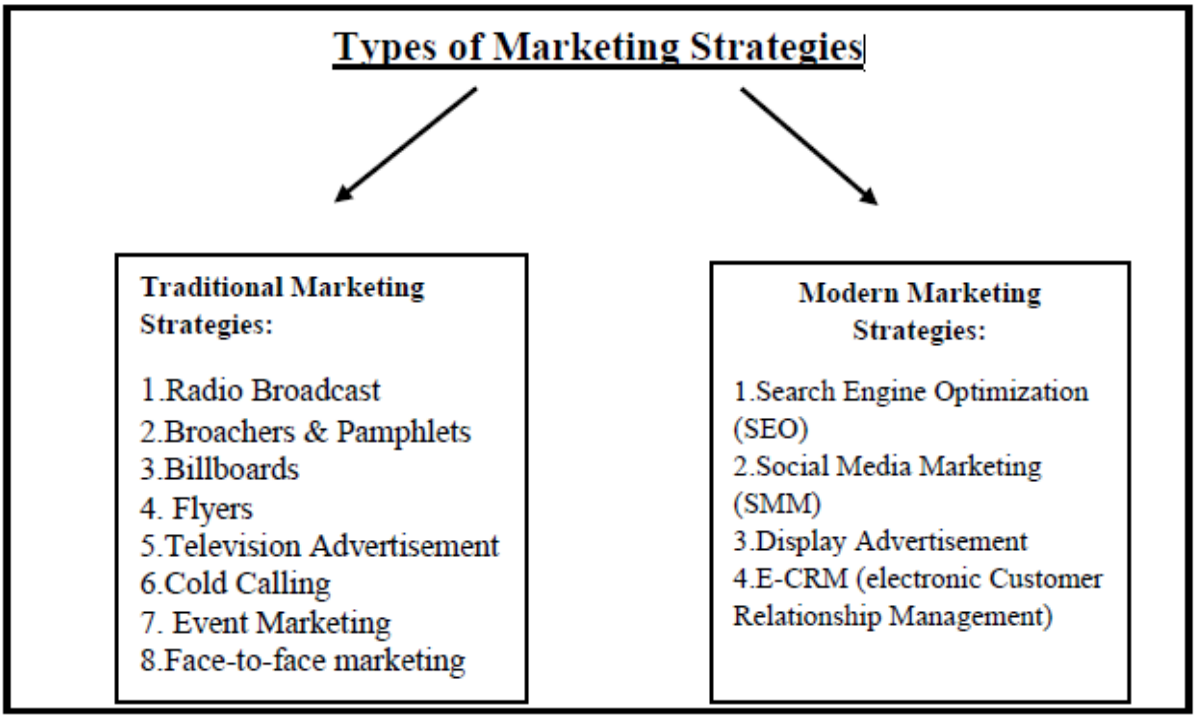

Figure1: Types of marketing strategies

III} TRADITIONAL MARKETING STRATEGIES :-

There are several traditional marketing strategies that a modern marketer can choose. Traditional marketing methods are more or less relevant to small and medium businesses. The common methods are :

3.1 Radio Broadcast: Radio broadcast is the transmission of audio by radio waves to the audience, usually through the transmission of music, news and other types of programmes.

3.2 Brochures & Pamphlets: A brochure is a single or multi-page promotional tool used to sell a company's products or services. On the other hand, a pamphlet is an unbound booklet to inform about products and services along with selling intentions.

3.3 Billboards: A billboard is a large outdoor advertising structure, typically found on the roadside and highways.

3.4 Flyers: A flyer is a form of paper advertisement intended for wide distribution in a public place handed out to individuals for product advertisement.

3.5 Television Advertisement: A television advertisement is a process of creating and airing commercials on television with the aim to promote products or services.

3.6 Cold Calling: Cold calling is the solicitation of business from potential customers who have had no prior contact with the salesperson conducting the call. It is an attempt to convince customers to purchase the products or services.

3.7 Event Marketing: Event marketing is a type of marketing that implies promoting a brand, product or service by holding, participating in or attending events.

3.8 Face-to-face Marketing: Face-to-face marketing is the act of directly marketing to prospective customers through in-person communication.

IV} MODERN MARKETING STRATEGIES :-

Current modern marketing strategies can be categorized into four types:

4.1 SEO (Search Engine Optimization): Search Engine Optimization is the process of promoting a website on the major search engines to increase traffic and sales. Nowadays, customers browse the web frequently whenever they consider buying products or services and it has become a popular method for businesses to attract and retain customers i.e., easy user interface, keyboard optimization, voice search and image search optimization.

4.2 Social Media Marketing (SMM): Social media marketing is a form of online marketing that uses social media applications as a marketing strategy. Nowadays, people check various social media platforms like Facebook, Instagram, Twitter and WhatsApp on their laptops, tablets and smartphones Thus, now social media marketing (SMM) has become an important element of online business platforms (Akram Kumar, 2017).

4.3 Display Advertisement: Display advertisements are a type of online advertisement that customers can find through different social media fields that combines text, images and links to an e-commerce website where a customer can learn more about buying the products or services. It appears to have a favourable effect on buyers' desire to buy and the video display boosts customers' product awareness and purchasing intention.

4.4 e-CRM (Electronic-Customer Relationship Management): E-CRM is a new form of customer relationship management that uses the internet and other electronic means to help the organization design, manage and track its relationships with customers. An effective E-CRM increases the efficiency of the processes as well as improves the interactions with customers. It helps to customize products and services that meet the customers' requirements.

V} e-COMMERCE SECTOR IN INDIA :-

e-commerce is the term used to describe the sale and purchase of goods and services through the internet. E-commerce platforms make it easier to get product information, which helps customers to compare products and make a decision. Furthermore, modern e-commerce comprises buying and selling things online and businesses utilise technology to assist multiple works through e-commerce platforms where customers can browse and buy a variety of goods without going to actual shops, hence making virtual shopping an affordable and effective experience.

5.1 CHANGING SCENARIO OF E-COMMERCE IN INDIA :-

The recent rise in digital literacy in India has led to an inflow of investment in e-commerce. COVID-19 has further accelerated the shift towards online shopping. The emergence of the new variant will further push people to opt for online purchasing. In 2022, the Indian e-commerce market increased by 21.5%, reaching US$ 74.8 billion market, which further led to growth in the economy. India's e-commerce market is expected to grow to reach US 111 billion by 2024 and to reach US$ 350 billion by 2030. According to the standard report 2021, due to the post covid-19 effects in India, there is a paradigm shift in the market and it helps in increasing sales growth in the e-commerce sector in India.

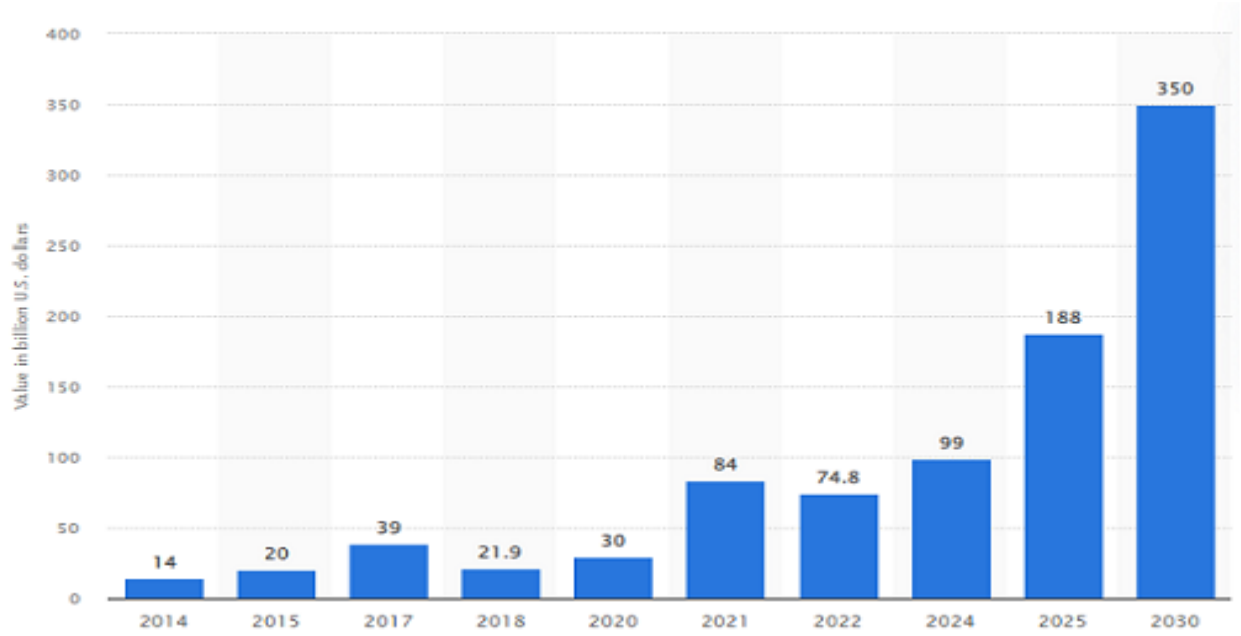

Figure 2: Market size of e-commerce industry across India from 2014 to 2018, with forecast until 2030 (Source: https://www.statista.com/statistics/792047/india-e-commerce-market-size/)

5.2 MAJOR PLAYERS OF E-COMMERCE PLATFORMS IN INDIA

On the basis of Economic Times 2022 article and the Statista Report 2022, consumer habits have changed after the Covid-19 pandemic and online services are growing at a high pace. Hence, the researcher has selected major players of e-commerce platforms in India.

5.2.1 Amazon: Amazon was founded on July 5, 1994, by Jeff Bezos. It is an American multinational technology company and is headquartered in Seattle in the United States. Later, the company focused on e-commerce advertising and digital streaming as well as it has been called "one of the most significant economic and cultural forces in the world" with 100 million products and more than 25,000 sub-categories which regarded it as one of the most valuable brands in the world as well as the leading e-commerce website in India also.

5.2.2 Flipkart: Flipkart was founded in October 2007 by Sachin Bansal and Binny Bansal. It is one of India's leading E-commerce marketplaces and is headquartered in Bengaluru. The company initially started as an online bookstore. Later, it also started selling other items such as movies and mobile phones. Now the company offers more than 80 million products spread across more than 80 categories. It can deliver eight million shipments per month Flipkart Group raised an additional valuation which reached US$ 24.9 billion in India.

5.2.3 Myntra: Myntra was founded in 2007 by Mukesh Bansal, Ashutosh Lawania and Vineet Saxena. It is a significant Indian fashion e-commerce business and is headquartered in Bengaluru, India. Later, the business was to market customized gifts and offered customized gifts made to order. Myntra was purchased by Flipkart in May 2014. Myntra introduced an express delivery service on its app in May 2022 to provide a unique experience through a fashion and beauty platform.

VI} REVIEW OF LITERATURE :-

The researcher reviewed many published papers, articles, journals and websites on the basis of important aspects of marketing strategies of e-commerce platforms and broadly classified relevant literature in the category of national and international reviews. The shortlisted ones are as follows :

6.1 National Studies :

6.1.1 Sunil Kumar Khatri (2022) in his research "A study on e-commerce industry in India: growth in pandemic phase and future challenges" depicted that use of information technology and computers by consumers has also transformed the way of doing business. Continuous increase in internet users is also an important factor for growth of e-commerce with increase in internet connection and smartphones penetration created huge scope in rural areas also. The covid-19 pandemic created uncertainty but on the other hand, it accelerated digital discovery with the expansion of e-commerce. The lockdown circumstances drove customers to explore online access to huge variety of products and services at their convenience from their homes. This reveled key factors which supported e-commerce development in the pandemic phase and the future challenges for e-commerce.

6.1.2 Rithika Sirvi and Gundla Ranga Ramu (2021) in their research paper "The role of e-commerce on customer engagement in 2021" stated that customer buying patterns got a completely new outlook with the changing times and selling distribution has a new dimension. e-commerce platforms became a vital and innovative marketing strategy. This study gives a detailed understanding of e-commerce trends in the current decade. e-commerce platforms are a crucial part of customer life because they meet the expectations of targeted customers by offering unique value of services. It focuses on how e-commerce sites are working on customer engagement.

6.1.3 Anam Bhatti and Mohammad Akram Khan (2020) in their research titled "E-commerce trends during COVID-19 pandemic" stated that during the pandemic, e-commerce emerged as a leading source of alternative shopping for consumers who used to purchase from traditional superstores. This study suggested that it is important to balance the costs and benefits as well as related activities in the near future.

6.1.4 Raj Kumar and Mohammad Khan (2020) in their research work "Adoption of IT tools in the MSME sector in India" stated that adoption of technology in India is faster because consumer needs are dynamic in nature. Researchers concluded that there is a huge scope of growth for e-commerce industry in the covid-19 pandemic and companies have adapted to this situation.

6.1.5 Anurag Verma and Simran Kaur (2018) in their study "Systematic literature review on digital marketing in India: present scenario" stated that companies can benefit from a variety of modern marketing channels and the rise in social media use is creating new opportunities for modern marketers to draw customers via digital platforms. According to the study there has been a significant trend toward digitalization in India. This research also emphasized on the broad range of consumers that view purchasing services through social networking sites due to their accessibility. It is economical and has a large commercial impact.

6.2 International Studies:

6.2.1 Florin Valeriu Pantelimon and Tiberiu Marian (2020) in their research work "The impact of mobile e- commerce on GDP: a comparative analysis between Romania and Germany and how covid-19 influences the e-commerce activity worldwide" examined how the expansion of mobile commerce affected the gross domestic product of both Romania and Germany between 2014 and 2019. The analysis seeked to comprehend the significance of mobile commerce in the context of stable economies prior to COVID-19. The general consumer behaviour toward traditional and electronic commerce was examined within the context of the COVID-19 pandemic.

6.2.2 Mohammad Waliul Hasanat and Shikha Hasant (2020) in their research paper "The impact of corona virus (Covid-19) on e-business in Malaysia" ascertained how the coronavirus affected Malaysian online businesses. The findings demonstrated that the majority of items originated in China and the majority of industries were under lockdown preventing the import and export of goods.

6.2.3 Prantosh Paul and Aithal Sreeraman (2018) in their research work "Business information sciences emphasizing digital marketing as an emerging field of business" stated that the driving force behind modern society is digital technology. People may not always have access to clean water to drink, but they often have smart phones. It was found that the majority of customers are at ease with online marketing. The current influence of digital marketing on people's lives is yet another unrealistic stimulus. Additionally, the interactions between people, habits, work and purchases are impacted by digital marketing.

6.2.4 Mike Simpson and Anthony Docherty (2014) in their study "E-commerce adoption support and advice for UK SME" stated that e-commerce stores should be able to use an appropriate strategy for not only choosing their pertinent products that have a strong chance of making sales online but also for product promotion and online customer communication. Thus, it is crucial to comprehend the aspects that affect the potential for online sales of a particular product as well as the product marketing and customer communication plan to use in the virtual marketplace.

6.2.5 Rosady Ruslan (2010) in his research work "Management of public relations and communication media" depicted that three public relations marketing tactics namely the push strategy, pull strategy and pass strategy can be employed to accomplish the desired result. A push strategy is a marketing technique used to advertise a company's goods or services to potential customers. On the other hand, the goal of pull approach is to employ consumer advertising to foster brand loyalty and encourage repeat business. The pass approach is described as a strategy that focuses on the firm's involvement in community activities that entail deciding which information will have an effect or help the company develop a favourable public perception. He explained using marketing public relations and advertising together can help achieve more of the desired outcomes of communication media.

VII} NEED AND SIGNIFICANCE OF THE STUDY :-

Nowadays, people are using e-commerce websites for desired products and services with utmost convenience. The growing demand for "e-commerce" is the most significant driver of future revenue. The offline market has been dominated by online market due to the changing lifestyle of people and the emergence of e-commerce platforms for businesses, which under the IBEF report, the net worth of e-commerce is currently $74.8 billion and is predicted to reach $350 billion by 2030.

Due to the post covid-19 effects in India there is a paradigm shift in the market. Nowadays, customer's attitudes have changed, and they are relying more on e-commerce services. Digital literacy also plays an important role in India. The global statistics stated that digital literacy helps in increasing internet users approx. 658 million in India, as customers are now aware of the power of the internet. Hence, this research will not only contribute to academics but will be extremely useful to uplift the nation's marketing strategies towards prosperity in the e-commerce platform of India. Therefore, the present study is undertaken with the title "Evaluating the marketing of leading e-commerce platform in India : A Study with reference to Parbhani District".

VIII} OBJECTIVES OF THE STUDY : -

Keeping in view the significance of the study, the following are the main objectives of the present study.

1) To study the prevailing marketing strategies of selected e-commerce platforms in India.

2) To analyse the impact of prevailing marketing strategies on consumer's attitude on selected e-commerce platforms.

3) To evaluate the effect of consumer's attitude on the purchase behaviour of consumers of selected e-commerce platforms.

4) To analyse the effect of purchase behaviour and post-purchase behaviour of the consumers of e-commerce platforms in India.

5) To conduct a SWOT analysis of the prevailing marketing strategies of selected e-commerce platforms in India.

6) To have a Comparative study of Traditional Marketing and Modern Marketing.

IX} HYPOTHESES OF THE STUDY :-

01) There is no significant difference between prevailing marketing strategies of selected e-commerce platforms in India.

02) There is significant difference between prevailing marketing strategies of selected e-commerce platforms in India.

03) There is no significant impact of prevailing marketing strategies on consumer attitude of selected e-commerce platforms.

04) There is no significant effect of consumer attitude on the purchase behaviour of Consumer's on selected e-commerce platforms.

05) There is no significant effect of purchase behaviour on post-purchase behaviour of the consumer's on e-commerce platforms in India.

06) There is significant effect of purchase behaviour on post-purchase behaviour of the consumer's on e-commerce platforms in India.

X} RESEARCH METHODOLOGY :-

This research aims at studying the marketing strategies of selected e-commerce platforms in India and also to understand the customer's opinions regarding marketing strategies. As the study requires in-depth knowledge and analysis of data, the research will be descriptive & analytical in nature. The study is based on collection of data from both primary and secondary sources.

10.1 DATA COLLECTION :-

10.1.1 Primary data collection :

The information collected as primary data will be through discussions and personal interviews with well-structured and designed questionnaires.

10.1.2 Secondary data collection :

The information has collected as secondary data will be through reports of various studies and publications. The basic information's about status of Marketing Strategies of e-commerce will be collected from various books, reports, journals, magazines, newspaper and websites also.

10.2 SAMPLE DESIGN :-

In the present study the information collected as primary data will be by filling up well-structured questionnaires from 150 respondents. There are total in Marathwada Region out of them 150 Sample Beneficiaries are selected for the present study on the basis of Simple purposive Random Sampling Method. The sampling design is formulated for the purpose of collection of primary data. Hence out of 150 the Pro rata distribution of 88 & 62 for Marathwada Region of Maharashtra.

10.3 Gap in Existing Research :-

A few researchers have studied e-commerce and etc., but no one studied Marketing and Especially "Marketing Strategies of e-commerce''. Therefore, there is a Gap in the existing research.

10.4 TOOLS AND TECHNIQUES FOR DATA ANALYSIS :-

The collected data is analysed and tabulated in the tables followed by the text. The data was scrutinized, verified and analysed with the help of simple statistical tools and techniques like percentage, average, growth rate comparison along with tables, graphs, charts, diagrams for data analysis.

10.5 SCOPE OF THE STUDY :

Study on Marketing Strategies of e-commerce Sector is only taken for study out of total consumers in Parbhani District of Marathwada Region of Maharashtra State. The similar Model can the applied to other districts in Maharashtra & other states in India.

10.6 GEOGRAPHICAL SCOPE :

The study will cover Parbhani District of Marathwada Region in the Maharashtra State.

10.7 TEMPORAL SCOPE:

The study will cover 05 years that will from 2017-18 to 2021-2022 for the purpose of secondary data.

10.8 LIMITATIONS OF THE STUDY :

The limitations of the study are as follows.

- The study is geographically confirmed to Parbhani District of Marathwada Region only.
- The study is restricted to the span of 05 years only (2017-2018 to 2021-2022).
- The study is related with only Marketing Strategies of e-commerce Sector.

10.9 CHAPTERIZATION OF THE STUDY :-

The proposed study will contain the following chapters :

Chapter 1: Introduction

Chapter 2: Review of Literature

Chapter 3: Profile of Parbhani District

Chapter 4: Analysis of the Study

Chapter 5: Findings, Conclusion and Suggestion

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